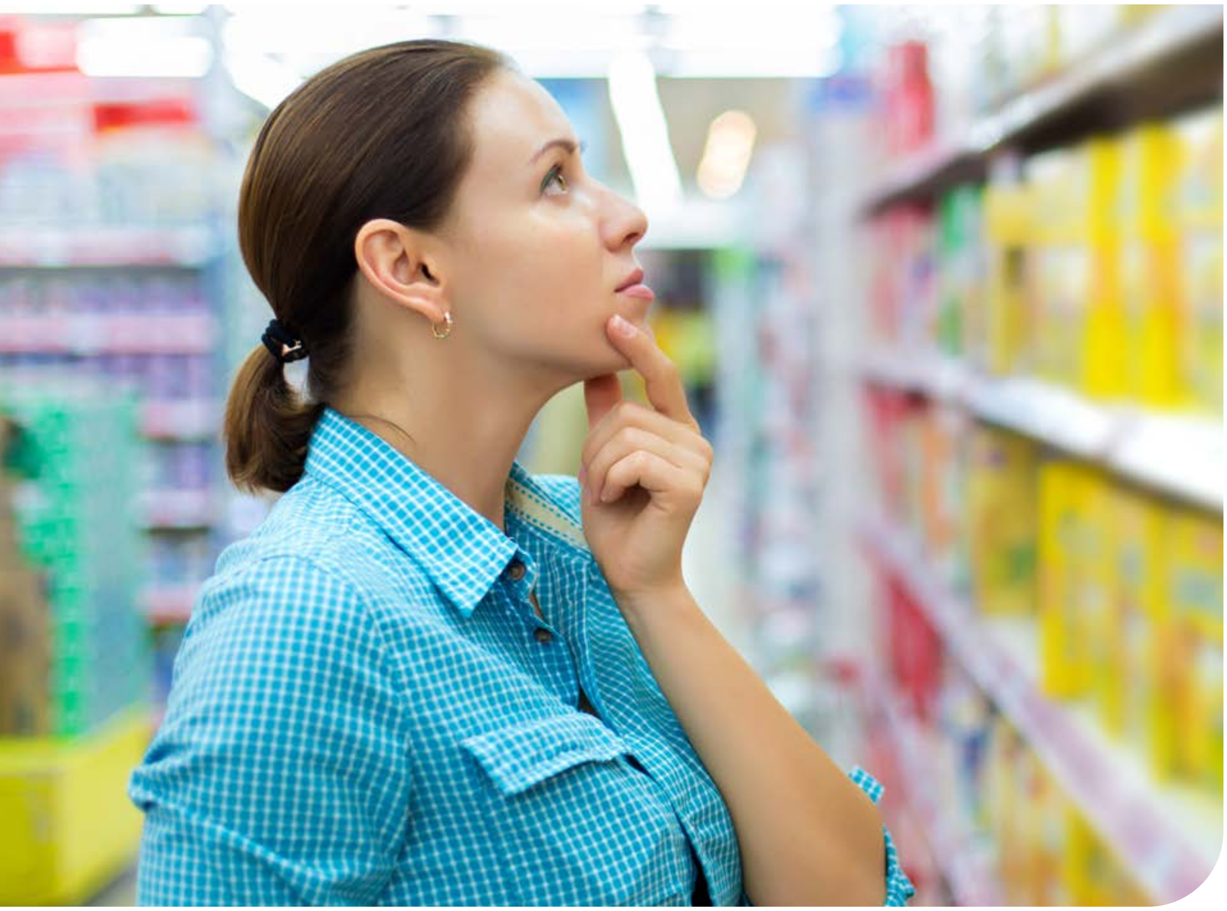

SWEET SELECTIONS:

How demographics and products influence consumer sweetener priorities

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In the fast-evolving food and beverage marketplace, sugar reduction remains one of its longest-running trends. However, consumer attitudes toward how those reductions are achieved, and which sweetener claims are most impactful, remain a moving target.

Cargill's latest consumer research sheds new light on how sweetener-related package elements influence purchase decisions, digging into differences sparked by demographics, product categories and more.

Fielded in 2022, the results build on similar work completed the previous year. More than 300 U.S. grocery shoppers participated in the Sweetener Claims Impact Study, which assessed 10 food and beverage categories ranging from plant-based dairy alternatives to candy.

"Our findings suggest that consumers' sugar-reduction journeys are ongoing," said Carla Saunders, Senior Marketing Manager for Cargill's high-intensity sweetener lines. "They also highlight nuances in how different groups of consumers view sweeteners and package claims, all with implications for brands as they lay out parameters for future product innovation projects."

Overall, the Cargill survey found that consumers pay more attention to the amount of sugar found in a product, versus specific sweeteners or front-of-pack claims. Total sugars and the amount of added sugars rated above the type of sweetener used or specific front-of-pack claims. Still, the research also found evidence that sweetener claims can influence purchases, too. Those that fared best typically implied "natural" or "no artificial," including "naturally sweetened" or "made with a natural sweetener."

"The popularity of these types of claims reflects the large swaths of consumers who remain skeptical of artificial sweeteners," Saunders explained.

7 in 10 consumers worry about possible negative effects from artificial sweeteners.

Sweet revelations

While these broad claims around ingredient sourcing scored well with consumers, sugar- and calorie-related claims remain relevant, too. The survey revealed that half of all consumers reported actively trying to reduce sugar intake, though the appeal of claims around sugar and calories varied by demographic group. Claims related to the amount of sugar, such as "reduced sugar" and "no added sugar" resonated most strongly with baby boomers, while calorie claims tended to have the most impact with Gen Z shoppers.

Other generational differences highlighted by the study included:

- **"No artificial sweetener" claims carried the most weight with baby boomers and millennials,** though Gen X and Gen Z weren't far behind.
- **Claims around natural sweeteners strongly resonated across all generations, but age appeared to influence the effect of sugar and calorie claims.** "No added sugar" had the greatest net-purchase impact for millennials and Gen X, while Gen Z ranked "reduced calorie" claims and baby boomers ranked "reduced sugar" claims slightly higher.
- **Organic and non-GMO claims were most impactful with millennials.** Across all generations, the simpler, "Non-GMO" claim scored higher than "Non-GMO Project Verified," though both claims delivered positive net-purchase-impact scores.

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Parent priorities

Differences also emerged when parents were purchasing products for children versus themselves. When children were the final consumer of a product, the research found that nearly all claims had a more-positive impact on purchase. This was especially true in categories more closely associated with nutrition (like snack bars and cereals), where claims like “no added sugar” delivered net-purchase-impact scores 10 or more points higher.

“Parents want what’s best for their children, and added sugars and artificial sweeteners clearly don’t fit with their mindset,” explained Courtney LeDrew, Senior Marketing Manager, Cargill. “That also helps explain why stevia delivers a much-higher net-purchase-impact score compared to artificial choices like sucralose or aspartame.”

Category influences

Age and child status weren’t the only variables the study investigated; it also looked at how a product category influences purchase. Claims around sweeteners, sugar and calories had the highest impact in plant-based dairy alternatives, cereals and snack bars; however, these claims carried less importance in indulgent categories like candy.

Among the applications included in the survey, nearly all front-of-pack claims were most influential in plant-based dairy alternative purchases, with “naturally sweetened” (71%), and “no artificial sweeteners” (69%) delivering the highest net-purchase-impact scores. Other categories where sweetener claims delivered high scores included sports and performance beverages, nutritional supplements and flavored milks.

“The more consumers associate a product with nutrition or health, the more important sweetener claims become,” Saunders said. “Where baked goods or candy may be viewed as a treat and receive relatively less label scrutiny, consumers may not give other categories the same latitude.”

Preferences among Clean Label Seekers

The research also offered insight into the consumer segment most attuned to label considerations, Clean Label Seekers. Identified by their interest in organic foods and tendency to avoid foods with GMOs, artificial ingredients and processed foods, these label-conscious consumers are an important market segment, accounting for two in five consumers.

Like the general population, Clean Label Seekers prioritized “natural” and “no artificial” claims; the key difference was the weight they purported to give front-of-pack messaging. “Across the board, these consumers are most influenced by sweetener claims,” LeDrew noted. “In many cases, we saw net purchase intent scores for Clean Label Seekers rise 30 to 40 percentage points higher than other survey participants.”

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Clean Label Seekers are especially important in the plant-based dairy alternatives category, where the survey found they account for over half of the shoppers saying they purchase these products. Among Clean Label Seekers, sweetener claims resonate especially positively for plant-based dairy alternative purchases, where a “no artificial sweetener” claim earned a 91% net-purchase-impact score – compared to 67% net-purchase impact for the general population.

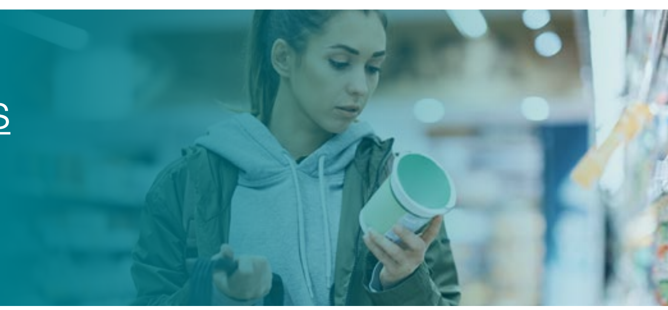
Leveraging learning

LeDrew said brands can use these findings to guide their product development efforts, but emphasized that formulators must still prioritize the sensory attributes of their finished products.

"Health and label considerations remain top-of-mind for the majority of consumers, and sugar intake is clearly one way they're striving to better manage their overall wellness," she said. "At the same time, products must taste great to earn repeat purchase. Finding a sweetening solution that can deliver on both fronts is key to long-term marketplace success."

Cargill's consumer insight, ingredient and application specialists can help brands balance these competing needs by tapping into its growing portfolio of sugar-reduction tools. This includes EverSweet® stevia sweetener + ClearFlo™ natural flavor, a true game-changer for sugar reduction. The combination delivers wide-ranging benefits that include flavor modification, improved solubility and stability in formulations as well as faster dissolution. At the same time, it reflects consumer preferences, labeling simply in the U.S. as "stevia sweetener and natural flavor," nomenclature that the company's proprietary research suggests resonates with consumers.

Leverage leading-edge sweetener insights and solutions from Cargill.



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